

84-07

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. 84-07

Passed June 25, 20 07

ORDINANCE NO. 84-07

An ordinance providing for the issuance and sale of \$925,000 notes, in anticipation of the issuance of bonds, for the purpose (i) of paying costs of improving City streets by reconstructing and rehabilitating certain streets identified in the City's Capital Improvement Plan and constructing curbs and gutters and related improvements, together with all necessary appurtenances thereto and (ii) paying costs of improving and expanding the City's sewerage system by constructing sanitary sewer lines, together with all necessary appurtenances thereto, and declaring an emergency.

WHEREAS, pursuant to Ordinance No. 94-06, passed June 26, 2006, there were issued \$1,350,000 Various Purpose Improvement Notes, Series 2006 (the "Outstanding Notes") in anticipation of bonds for various purposes, including the purposes stated in Section 1, which Outstanding Notes mature on August 7, 2007; and

WHEREAS, this Council finds and determines that it is necessary to issue the Notes authorized by this ordinance to retire, together with other funds available to the City, the Outstanding Notes; and

WHEREAS, the Director of Finance as fiscal officer of this City has certified to this Council that the estimated life or period of usefulness of the improvements described in Section 1 is at least five years, the estimated maximum maturity of the bonds described in clause (i) of Section 1 is 20 years and in clause (ii) is 40 years, and the maximum maturity of the Notes described in Section 3, to be issued in anticipation of the Bonds, is 240 months from August 9, 2005; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF NORTH CANTON, COUNTY OF STARK, STATE OF OHIO, THAT::

- Section 1. It is necessary to issue bonds of this City in the aggregate principal amount of \$925,000 (the Bonds) for the purpose of (i) paying costs of improving City streets by reconstructing and rehabilitating certain streets identified in the City's Capital Improvement Plan and constructing curbs and gutters and related improvements, together with all necessary appurtenances thereto and (ii) paying costs of improving and expanding the City's sewerage system by constructing sanitary sewer lines, together with all necessary appurtenances thereto.
- Section 2. The Bonds shall be dated approximately June 1, 2008, shall bear interest at the now estimated rate of 6% per year, payable semiannually on each June 1 and December 1, commencing December 1, 2008 until the principal amount is paid, and are estimated to mature in 20 annual principal installments on December 1 of each year that are substantially equal. The first principal payment of the Bonds is estimated to be December 1, 2009.
- Section 3. It is necessary to issue and this Council determines that notes in the aggregate principal amount of \$925,000 (the Notes) shall be issued in anticipation of the issuance of the Bonds and to retire, together with other funds available to the City, the Outstanding Notes. The Notes shall be dated the date of their issuance and shall mature one year from the date of issuance, provided that the Director of Finance may, if it is determined to be necessary or advisable to the sale of the Notes, establish a maturity date that is up to seven days from the date of issuance by setting forth that maturity date in the certificate awarding the Notes (the Certificate of Award). The Notes shall bear interest at a rate or rates not to exceed 6% per year (computed on the basis of a 360-day year consisting of twelve 30-day months), payable at maturity and until the principal amount is paid or payment is provided for. The rate or rates of interest on the Notes shall be determined by the Director of Finance in the Certificate of Award in accordance with Section 6.
- Section 4. The debt charges on the Notes shall be payable in lawful money of the United States of America, or in Federal Reserve funds of the United States of America as determined by the Director of Finance in the Certificate of Award, and shall be payable, without deduction for services of the City's paying agent, at the principal office or designated office of a bank or trust company designated by the Director of Finance in the Certificate of Award after determining that the payment at that bank or trust company will not endanger the funds or securities of the City and that proper procedures and safeguards are available for that purpose (the Paying Agent).
- Section 5. The Notes shall be signed by the Mayor and Director of Finance, in the name of the City and in their official capacities, provided that one of those signatures may be a facsimile. The Notes shall be issued in the denominations and numbers as requested by the original purchaser and approved by the Director of Finance. The entire principal amount may be represented by a single note and may be issued as fully registered securities (for which the Director of Finance will serve as note registrar) and in book entry or other uncertificated form in accordance with Section 9.96 and Chapter 133 of the Revised Code if it is determined by the Director of Finance that issuance of fully

RECORD OF ORDINANCES

0119

84-07

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. 84-07

Passed June 25, 2007

registered securities in that form will facilitate the sale and delivery of the Notes. The Notes shall not have coupons attached, shall be numbered as determined by the Director of Finance and shall express upon their faces the purpose, in summary terms, for which they are issued and that they are issued pursuant to this Ordinance. As used in this section and this ordinance:

"Book entry form" or "book entry system" means a form or system under which (i) the ownership of beneficial interests in the Notes and the principal of, and interest on, the Notes may be transferred only through a book entry, and (ii) a single physical Note certificate is issued by the City and payable only to a Depository or its nominee, with such Notes "immobilized" in the custody of the Depository or its agent for that purpose. The book entry maintained by others than the City is the record that identifies the owners of beneficial interests in the Notes and that principal and interest.

"Depository" means any securities depository that is a clearing agency under federal law operating and maintaining, with its Participants or otherwise, a book entry system to record ownership of beneficial interests in the Notes or the principal of, and interest on, the Notes and to effect transfers of the Notes, in book entry form, and includes and means initially The Depository Trust Company (a limited purpose trust company), New York, New York.

"Participant" means any participant contracting with a Depository under a book entry system and includes security brokers and dealers, banks and trust companies, and clearing corporations.

The Notes may be issued to a Depository for use in a book entry system and, if and as long as a book entry system is utilized, (i) the Notes may be issued in the form of a single Note made payable to the Depository or its nominee and immobilized in the custody of the Depository or its agent for that purpose; (ii) the beneficial owners in book entry form shall have no right to receive the Notes in the form of physical securities or certificates; (iii) ownership of beneficial interests in book entry form shall be shown by book entry on the system maintained and operated by the Depository and its Participants, and transfers of the ownership of beneficial interests shall be made only by book entry by the Depository and its Participants; and (iv) the Notes as such shall not be transferable or exchangeable, except for transfer to another Depository or to another nominee of a Depository, without further action by the City.

If any Depository determines not to continue to act as a Depository for the Notes for use in a book entry system, the Director of Finance may attempt to establish a securities depository/book entry relationship with another qualified Depository. If the Director of Finance does not or is unable to do so, the Director of Finance, after making provision for notification of the beneficial owners by the then Depository and any other arrangements deemed necessary, shall permit withdrawal of the Notes from the Depository, and shall cause the Notes in bearer or payable form to be signed by the officers authorized to sign the Notes and delivered to the assigns of the Depository or its nominee, all at the cost and expense (including any costs of printing), if the event is not the result of City action or inaction, of those persons requesting such issuance.

The Director of Finance is also hereby authorized and directed, to the extent necessary or required, to enter into any agreements determined necessary in connection with the book entry system for the Notes, after determining that the signing thereof will not endanger the funds or securities of the City.

Section 6.

The Notes are hereby sold at not less than par plus accrued interest at private sale to RBC Capital Markets Inc., Cincinnati, Ohio in accordance with law and the provisions of this Ordinance. The Director of Finance shall sign the Certificate of Award referred to in Section 3 evidencing that sale to the original purchaser, cause the Notes to be prepared, and have the Notes signed and delivered, together with a true transcript of proceedings with reference to the issuance of the Notes if requested by the original purchaser, to the original purchaser upon payment of the purchase price. The Mayor, the Director of Finance, the Clerk of Council and other City officials, as appropriate, are each authorized and directed to sign any transcript certificates, financial statements and other documents and instruments and to take such actions as are necessary or appropriate to consummate the transactions contemplated by this Ordinance. The Director of Finance is authorized, if it is determined to be in the best interest of the City, to combine the issue of Notes with one or more other note issues of the City into a consolidated note issue pursuant to Section 133.30(B) of the Revised Code.

Section 7.

The proceeds from the sale of the Notes, except any premium and accrued interest, shall be paid into the proper fund or funds and those proceeds are appropriated and shall be used for the purpose for which the Notes are being issued. Any portion of those proceeds representing premium and accrued interest shall be paid into the Bond Retirement Fund.

RECORD OF ORDINANCES

0121

84-07

Dayton Legal Blank, Inc.

Form No. 30043

Ordinance No. 84-07

Passed June 25, 20 07

expectations of the City regarding the amount and use of all the proceeds of the Notes, the facts, circumstances and estimates on which they are based, and other facts and circumstances relevant to the tax treatment of the interest on and the tax status of the Notes.

Each covenant made in this Section with respect to the Notes is also made with respect to all issues any portion of the debt charges on which is paid from proceeds of the Notes (and, if different, the original issue and any refunding issues in a series of refundings), to the extent such compliance is necessary to assure exclusion of interest on the Notes from gross income for federal income tax purposes, and the officers identified above are authorized to take actions with respect to those issues as they are authorized in this Section to take with respect to the Notes.

Section 11. The Clerk of Council is directed to deliver a certified copy of this Ordinance and the Certificate of Award to the County Auditor of Stark County.

Section 12. This Council determines that all acts and conditions necessary to be done or performed by the City or to have been met precedent to and in the issuing of the Notes in order to make them legal, valid and binding general obligations of the City have been performed and have been met, or will at the time of delivery of the Notes have been performed and have been met, in regular and due form as required by law; that the full faith and credit and general property taxing power (as described in Section 9) of the City are pledged for the timely payment of the debt charges on the Notes; and that no statutory or constitutional limitation of indebtedness or taxation will have been exceeded in the issuance of the Notes.

Section 13. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law.

Section 14. This Ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the City, and for the further reason that this Ordinance is required to be immediately effective so that the Notes can be delivered at the earliest possible date to enable the City to retire the Outstanding Notes and thereby preserve its credit; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and approval by the Mayor.

North Canton, Ohio

Passed: 6/25/07

E. E. W. Jr.

MAYOR

DIRECTOR OF ADMINISTRATION*

SIGNED: 6-29-07, 2007

ATTEST:

Gail M. Kallas
CLERK OF COUNCIL

*Pursuant to Section 3.01 of the North Canton Charter

FISCAL OFFICER'S CERTIFICATE

To the Council of the City of North Canton, Ohio:

As fiscal officer of the City of North Canton, Ohio, I certify in connection with your proposed issue of \$925,000 notes (the Notes), to be issued in anticipation of the issuance of bonds (the Bonds) for the purpose of (i) paying costs of improving City streets by reconstructing and rehabilitating certain streets identified in the City's Capital Improvement Plan and constructing curbs and gutters and related improvements, together with all necessary appurtenances thereto (the Street improvements) and (ii) paying costs of improving and expanding the City's sewerage system by constructing sanitary sewer lines, together with all necessary appurtenances thereto (the Sewer improvements, and, together with the Street improvements, the improvements), that:

1. The estimated life or period of usefulness of the improvements is at least five years.

2. The estimated maximum maturity of the Bonds, calculated in accordance with Section 133.20 of the Revised Code, (i) is 20 years as to the portion of the Bonds related to the Street improvements and (ii) is 40 years as to the portion of the Bonds related to the Sewer improvements, being my estimate of the life or period of usefulness of those improvements. If notes in anticipation of the Bonds are outstanding later than the last day of December of the fifth year following the year of issuance of the original issue of notes, the period in excess of those five years shall be deducted from that maximum maturity of the Bonds.

3. The maximum maturity of the Notes is 240 months from August 9, 2005.

Dated: June 25, 2007



Director of Finance
City of North Canton, Ohio